

CHITRCHATR COMMUNICATIONS, INC.

Commercial Launch to Drive Stock Price and Valuation

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CHITRCHATR COMMUNICATIONS, INC.
OTC:PK – CHICF - \$1.38, CNSX:CHA
FRANKFURT: WKN:A1W6GD, ISIN:CA1701771091, CA9

Price Target: \$3.75

Rating: Speculative Buy

COMPANY SNAPSHOT

ChitrChatr is a technology company that developed a proprietary Internet-based communications platform, the Comprehensive Universal Unified Communications Platform ("CUUCP"), which will offer communications services to users delivered through an integrated global communications platform and user friendly interface. Based on VOIP technology, the CUUCP will be a common unified application that integrates virtually all methods of communication, including audio, video, conference calling, messaging, chat, texting, facsimile, email and social networking services, into one easy to use platform. The CUUCP will be made available as an app that can be accessed using a web browser, and can be installed on multiple mobile and other devices.

KEY STATISTICS

Price as of 2/6/15	\$1.38
52 Week High – Low	\$1.758 – \$0.269
Est. Shares Outstanding	38.0M
Market Capitalization	\$52.4M
3 Mo Avg Vol	16,300
Exchange	OTC:PK

COMPANY INFORMATION

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KEY TAKEAWAYS

CHICF Achieved Major Developmental Milestones

Since our mid-2014 update, CHICF management has achieved major developmental and financial milestones that strongly position the Company for future market share success.

On the development front, the recent testing of the Alpha-1 CUUCP has concluded and it exceeded performance expectations. Management anticipates beta testing of the comprehensive platform will begin in the near future.

It should be noted that with the aid of its successful social media campaigns, the Company enjoys a large and growing base of pre-release subscribers awaiting the launch of the CUUCP upon completion of the testing phase. Less than a year ago, CHICF announced that it has signed up over 262,000 pre-release founding subscribers and that number may be much larger today. These pre-release subscribers will be invited to participate in the beta testing phase which, when completed, will lead into the fully functional market release version of the platform.

The ChitrChatr offering offers an advanced global, integrated communications platform, complete with many unique enhancements and features, and paves the way for the future of personal communications. The Company's proprietary, patent pending technology integrates over 175 features which offer virtually all methods of communications, such as voice, audio, video chat, conference calling, messaging, chat, text, fax, email and social networking services, into one easy-to-use, unified platform.

The ChitrChatr technology is based on VoIP (Voice over IP) and uses internet services and data transmission, rather than the public circuit-switched telephone networks (PSTN), cellular networks and satellite service. ChitrChatr subscribers can obtain telephone numbers from approximately 65 different countries, making the CUUCP an enviable universal communications solution.

CHICF Has Also Achieved Major Financial Milestones

In the fourth quarter of 2014, the Company executed two transactions which clearly improved the balance sheet. These deals included a small private placement and the settlement of \$300,000 in debt. In both instances, the Company completed unit offerings that consisted of one share of stock and a one warrant. It should be noted that our estimated shares outstanding figure in the table above includes the shares issued in these offerings as well as the warrants. In our view, these transactions could prove to be critical as the Company reduced its debt and also paved the way for meaningful future fundraising without additional dilution via warrant exercise.

Separately, CHICF recently secured a line of credit for \$2,000,000 to be used to complete the final development after testing and for marketing efforts of the widely anticipated market release of the platform. The line of credit will facilitate and streamline necessary actions for the completion of the final development phase and should serve as a major boost that ensures a successful future commercial release. Moreover, this access to capital dramatically reduces the Company's risk profile.

Shares Offer Big Upside and Good Value

In just a matter of months, CHICF has improved its balance sheet, completed the early stages of testing, and has set itself up for a successful beta test phase and future commercial launch via the just announced \$2M credit line. Clearly, these moves reduce the risk in these shares and dramatically enhance the stock's value as CHICF progresses along the product developmental chain, prior to its commercial launch and potential market share success. Once the beta testing is completed and the CUUCP is launched we believe that the stock will be driven toward our \$3.75 price target. We continue to rate these shares Speculative Buy.

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RECENT TRADING HISTORY FOR CHICF

(Source: www.StockTA.com)



Senior Analyst: Robert Goldman

Rob Goldman founded Goldman Small Cap Research in 2009 and has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.



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